



Executive Officer's Report to the Board For June 27, 2003

Victim Compensation

Mental Health Session Limitations Update

On January 10, 2003, the Board adopted session limitations for mental health counseling. These limits were adopted as emergency regulations, becoming effective February 3, 2003. Because mental health counseling bills are typically submitted from three to six months after the date of service, assessment of either the fiscal impact of these limitations or their impact on the availability of services to victims of crime is premature. However, preliminary analysis reveals that:

- Victims are seeking and being reimbursed for significantly fewer mental health counseling sessions. Prior to the implementation of the session limitations, approximately 33 percent of victims received mental health counseling in excess of the session limitations. At the effective date of the new regulations, approximately 12,500 victims were continuing in treatment although they had previously been reimbursed for counseling in excess of the session limitations. Most of these victims have not applied for reimbursement of additional sessions. Only 852 have requested approval for additional treatment. Approximately 34 percent of these requests for additional treatment are being approved. The one-time total savings for this "transition group" may be as high as \$31 million realized over the next several years.
- If the experience with the transition group, above, is reflective of future requests for additional treatment, session limitations may result in annual savings as high as \$15 million. It is too early to know whether this early pattern of requests for and approval of additional treatment will continue. Ongoing cost avoidance could be reduced if providers become comfortable with the ATP process and submit more requests for additional treatment than they have submitted to date of if they increase the numbers of victims whom they serve.
- The savings from implementation of session limitations far exceed the administrative costs in implementing those limitations, however implementation has been difficult for the Board. Implementation required changes to VOX, the Board's automated claims processing system, implementation of standard letters to victims and mental health providers, and development of review standards and internal procedures to implement that review. Initially requests for additional treatment were not responded to in a timely manner and providers and victims complained that this delay was adversely impacting services to victims. These requests are now being brought up to date and staff has made a commitment to respond to all ATP requests within 10 days of receipt.

The emergency regulations for implementation of mental health session limits will be returned to the Board for adoption as permanent regulations at the July meeting. That will still be only four months after the implementation of the limitations. Additional time will be required before a full analysis of fiscal or service impact of the limitations can be completed. However, an update will be provided in July.

Budget Trailer Bill Impacts Restitution Fines

As we have previously reported, the Board placed several revenue enhancement proposals into trailer bill language and bill format this year. The most critical component of the plan adopted by the Board in January was increases to the minimum restitution fines imposed against offenders. The Board sought to raise the minimum restitution fines from \$100 to \$250 for misdemeanors and from \$200 to \$500 for felony convictions. Staff had projected this increase to raise \$13 million in the budget year and \$17 million annually thereafter.

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Unfortunately, and with virtually no notice, an amendment to our restitution fine proposal was inserted into the Senate version of the trailer bill at the request of the Majority Leadership. This amendment requires the sentencing judge to consider the offender's ability to pay when imposing anything over the current minimums. As judges often order the minimum fine and as offenders typically have no ability to pay at the time of sentencing, this amendment will likely negate any substantial revenue increase from the trailer bill. In fact, due to the confusion this amendment will introduce in to the sentencing statutes, it may actually result in a reduction in restitution revenue. Although staff testified against the introduction of this amendment in the Senate Budget Subcommittee and lobbied against it as it moved to the conference committee, the Senate version was adopted on or about June 8.

Among the more troubling aspects of this amendment is that ability to pay is not a factor judges have to consider when imposing base fines or state penalty assessments. To consider ability to pay prior to imposing minimum restitution fines that go exclusively to reimburse victims suggests that victims of violent crime are less important than the governmental programs supported by the other assessments. The ability to pay is an issue more appropriately considered at the time of collection. If the defendant is deemed to be unable to pay at the time of sentencing, the Board will be unable to collect even if the defendant later becomes employed or obtains other income. A number of victim witness offices and organizations have contacted members of the Legislative Conference Committee to urge that the committee reopen and remove the ability to pay language but it appears unlikely that the committee is inclined to do so at this time. This is now in print as AB 1760.

Five Vie to Build New Victim Compensation Claims Management System

The Board is replacing the Victim Compensation Program's computerized claims processing system (VOX) by December 2004. The Department of Finance approved the Feasibility Study Report for the new system on February 27, 2003. The new system is federally funded from the Victim Of Crime Act.

The Department of General Services (DGS), Procurement Division is conducting the procurement. The Request for Proposal (RFP) to solicit bids from the vendor community was released on May 5, 2003 and five RFPs were received from the vendor community.

The Board has selected an Evaluation Team to review all the proposals and recommend the intended vendor for the new system. The members of the team are Becky Bennett, an associate governmental program analyst in the Hearing and Appeals Section; Chris Lackey, a staff services manager 1 in the VCP Program; Pat Valencia, a research program specialist 1 in the Audits and Investigations Section; Toquyen Collier, an associate program analyst in the Information Systems Section; and Stephanie Gray, and associate governmental program analyst in the Policy and Procedures Section. The Project Manager is Linda Sanford, a contract employee, and the DGS Contract Manager is Steven Casarez.

DGS intends to award the contract for the new system in late August 2003 and have the vendor begin to work by November 2003.

Final Report on 2002 Federal Grant for September 11th Services

The 2002 Federal Grant for September 11th Services (grant) awarded to the Board by the Federal Office for Victims of Crime, U.S. Department of Justice, under the Antiterrorism and Emergency Assistance Program for Terrorism and Mass Violence Crimes has now been successfully concluded. A second grant continues these services in 2003.

The Board requested the grant to create peer support groups for family members of September 11th victims and survivors. These meetings have been held on both a statewide and regional basis. Statewide meetings were held in February, September, and October of 2002. Regional meetings were held twice monthly on Saturdays, with one meeting in Northern California and one in Southern California. These meetings were held in July, August, and November 2002.

Dr. Alicia Boccellari, Executive Director of the Trauma Recovery Center at the University of San Francisco, and her staff, has facilitated the majority of the meetings. Chaplains with the law enforcement community in L.A. and Sacramento also attend all the meetings and provide support for the attendees. Grant funds were used to cover the travel expenses of the attendees, consultant fees, and meeting expenses.

A Statewide Support Group Meeting and Observance of One-Year Anniversary took place in Sacramento on September 10 and 11, 2002. This meeting was held for the family members and survivors who chose not to travel

to the East Coast for memorial observances. A debriefing meeting to help victims cope with the one-year anniversary was held in Sacramento on October 10 and 11, 2002.

In addition to coordinating support group meetings, the Board created a case management system to deal with the September 11th cases. Case managers worked directly with the family members, survivors and the Urban Search and Rescue Workers sent to the World Trade Center. These services were partially funded by the grant.

Family members and survivors expressed concerns that the support groups would end when the grant period expired. Some families and individuals reached their VCP benefit maximums quickly and needed additional funds for support loss and mental health treatment. The Board applied for and received a second 2003 grant providing funds for these benefits.

The peer support group meetings have been well received. The meetings provide a safe place for individuals to come together and share their experiences without having to "explain" it. Some folks have joined the support group expressing relief that they do not have to go through their trauma alone.

Regarding victim satisfaction, following are some excerpts from the meeting evaluations completed by family members and survivors:

- "Fabulous gathering of love and spirit and of support in our path of healing."
- "Brings me closer to 9/11 families. I need that support."
- "Victim's Comp has done an impressive job of caring for me and making sure I stay 'in the loop'."
- "This was my first time to a grief meeting...it was very helpful to myself and my family. All the facilitators and staff have been awesome, professional and compassionate."

Study: Most Board Victims Satisfied With Service

The Board conducted a Victim Satisfaction survey from July 2002 through early April 2003. A total of 22,042 surveys were sent out, with 3,095 (14 percent) returned. Surveys are considered statistically successful with a return rate of at least seven percent. Surveys were sent to victims 30 days after a decision was made on their claim, regardless of whether the claim was allowed or not. Over the last few months, 3095 responses were received from victims statewide.

The survey revealed that almost three quarters of victims are satisfied with our services. The 15 question survey asked victims to rate the program's letters and forms for clarity, the quality of the interaction with program staff, the promptness of processing, whether the program met the victim's needs, and the overall satisfaction with the VCP.

Overall, the survey found that 74 percent of victims were satisfied with our services, while 13 percent were dissatisfied. Victim satisfaction ranged from a high of 81 percent who were satisfied with the professionalism and helpfulness of staff to a low of 68 percent who were satisfied with the promptness of returned phone calls. In general, victims rated the services provided by the Joint Powers Units more positively than the services provided by Board staff. The data is being broken down by tBoard team and JP office for the purpose of identifying areas to improve service.

Although we may conclude that we have served the majority of victims very well, we clearly can do better. The survey will be repeated at intervals to help us measure our progress.

Revenue Recovery

Restitution Training and Outreach: In late May, Board staff conducted two days of training for 80 probation officers assigned to the San Francisco County adult and juvenile courts. In early June, Board staff conducted training in Mendocino County for court personnel, probation officers, victim/witness staff and DDAs. Additionally, Board staff met Mendocino County Judge Leonard La Casse and DA Norman Vroman and discussed restitution issues. Both agreed to participate in a committee to address restitution problems and increase restitution awareness. Currently, Board staff is auditing Mendocino County cases where the Board has paid out \$1,000 or more to determine the status of those cases and identify any problems with the imposition of orders or fines.

FTB Court Ordered Debt Collection Project: Board staff was informed by FTB staff this week that the test tape of offender data provided by the Board meets the technical requirements and specifications for FTB

collection activities. Board staff is now in the process of producing the first production tape of offenders owing restitution to the State.

Liens and Overpayments Section: During May 2003, LORS collected \$179,085 in liens and overpayments on behalf of the VCP and filed 83 new liens in civil cases.

CDAV Victims Rights Meeting: DEO David Shaw attended the CDAV Victims Rights Committee meeting held during the CDAV Summer Conference at Dana Point, CA. Mr. Shaw briefed the committee on the status of the Boards' budget, 2003 legislative package and presented an overview of AB 2435 (Victims Services Study).

Outreach

Cinco de Mayo Safety Day Fiesta & Health, Education, and Job Fair

The VCP Program staff manned a booth at the Cinco de Mayo Safety Day Fiesta and Health, Education and Job Fair on May 4 at the Placer County Fair Grounds in Roseville. This 3rd annual event was sponsored by the Hispanic Empowerment Association of Roseville (HEAR). More than 1,000 people attended this event.

5th Annual Russian/Ukrainian American Yarmarka Summer Festival

On May 17, the VCP Program staff worked a booth at the Yarmarka Summer Festival in Southside Park, Sacramento. Approximately 10,000 people attended, with more than 200 visiting the Board's booth. Many in the Russian community heard about the VCP for the first time. A staff member fluent in Russian attended the event.

United Lu-Mien Community, Inc. Grand Opening

VCP Program staff manned a booth at the United Lu-Mien Community, Inc. Grand Opening on May 10 at 5625 Stockton Boulevard in Sacramento. Two hundred to 300 people attended this event, with 75 people visiting the Board's booth. This growing community was not aware of this program.

Department of Health Services Grantee Conference

Policy and Procedures staff spoke at the DHS Shelter Grantee conference about the VCP's relocation benefits and new policies on June 16.

Training Scheduled for County Advocates

The Program, Education, and Training Section invited the county advocates to an informational training session. The sessions were held June 17 – 19 and 24 – 26 in several cities throughout the state. Information about the legislation and new Board policies effective this year were shared. The training was held from 9 a.m. to 1 p.m.

Upcoming Events

(The conferences and events listed below are for informational purposes only.)

35th Annual Delegates Conference and Statewide American Indian Conference on Family & Domestic Violence Prevention

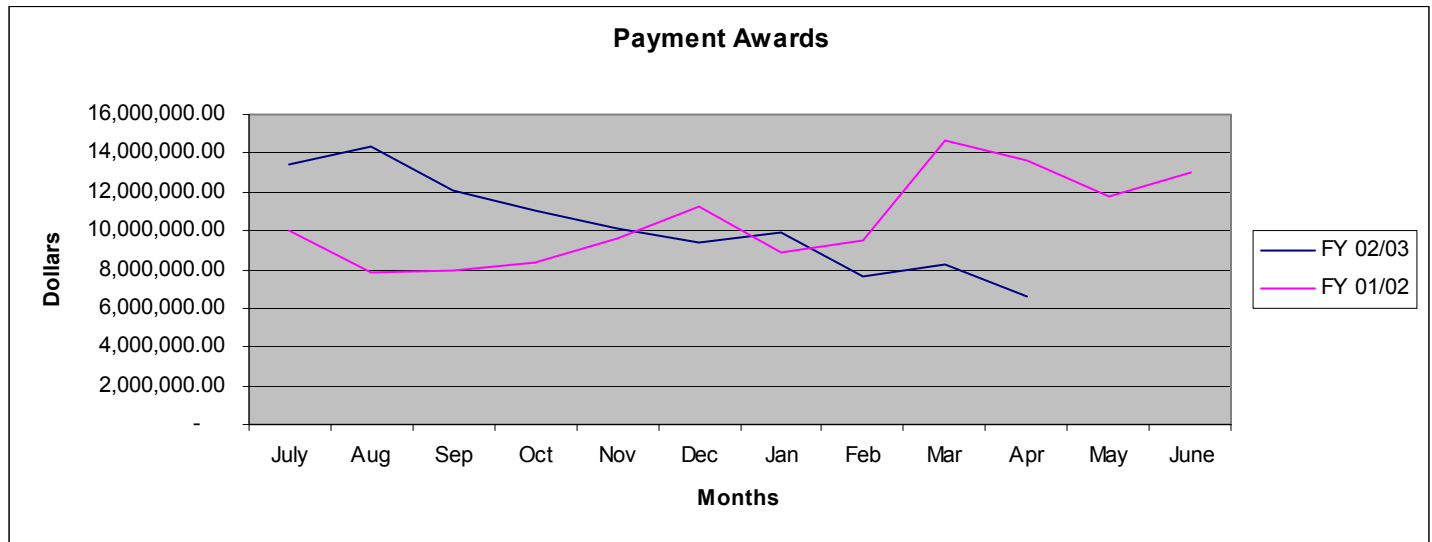
Date: July 14-16, 2003

Location: Sheraton Grand Hotel, Sacramento

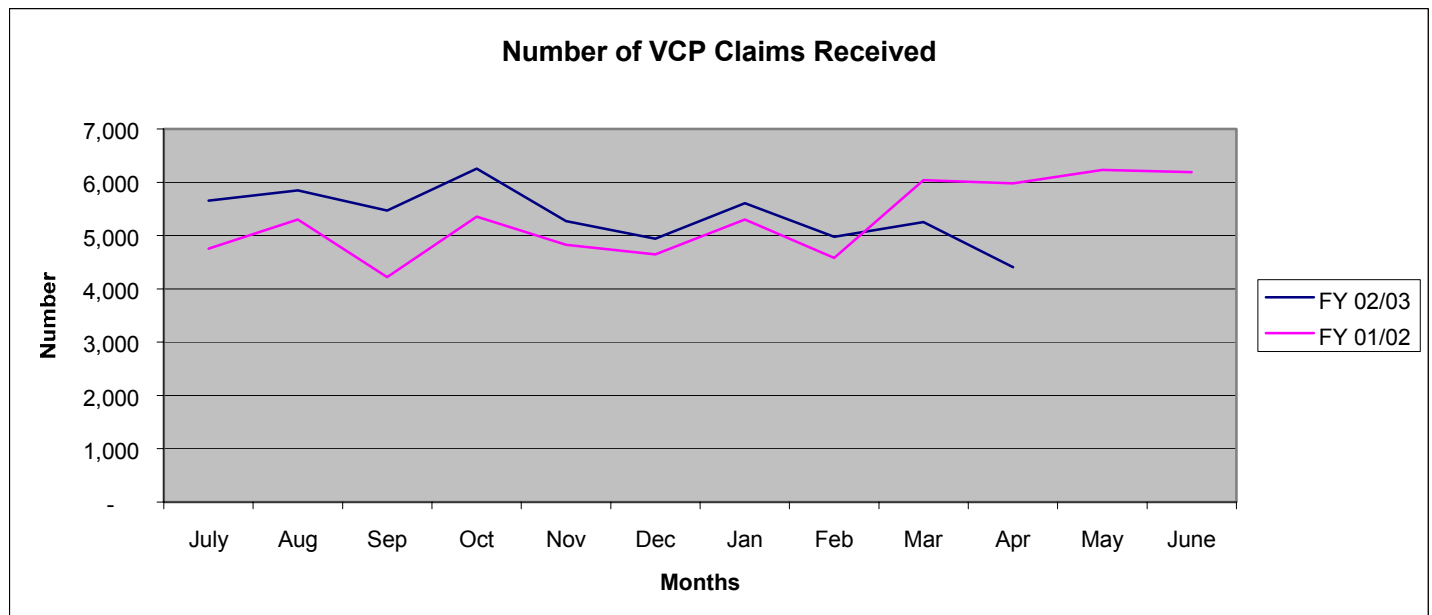
Description: Sponsored by the Inter-Tribal Council of California, Inc. and co-sponsored by the Attorney General's Office of Native American Affairs. This conference addresses Family and Domestic Violence; Elder Abuse; Child Abuse; Rape; Sexual Assault Stalking; etc. A booth for Board staff to educate attendees about program benefits will be available at no cost. For more information, contact Manuel G. Frausto, Jr. at (916) 973-9581 or visit their website at www.itccaweb.org.

Victim Compensation Program Activity

VCP PAYMENTS			
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	\$6,568,679	\$102,901,814	1%
FY 01/02	\$13,636,093	\$101,748,603	-



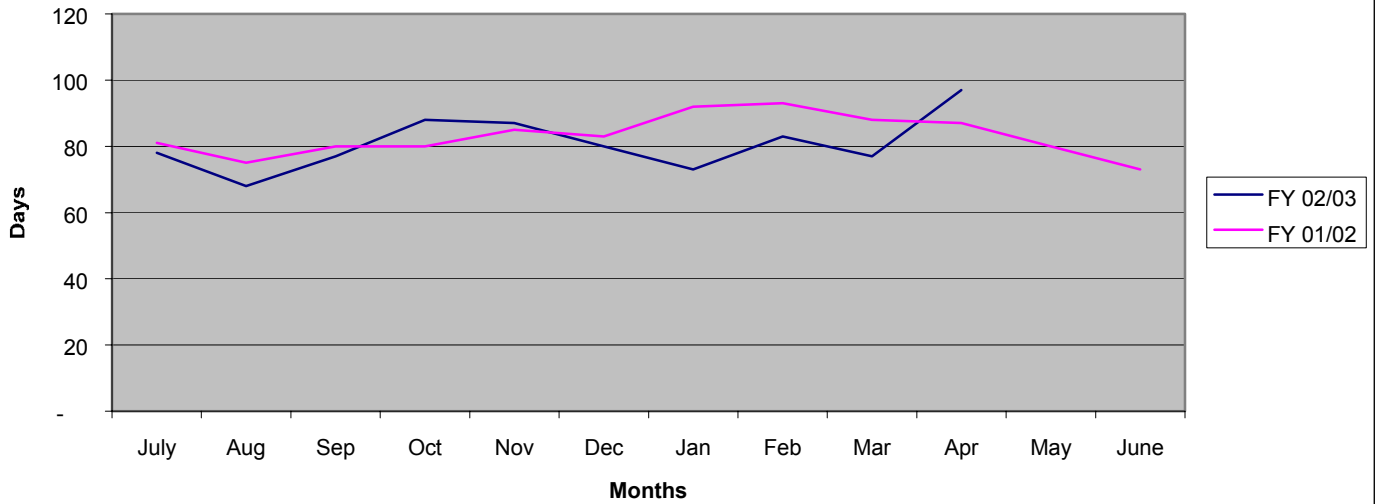
VCP NUMBER OF CLAIMS RECEIVED			
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	4,406	53,683	5%
FY 01/02	5,980	51,014	-



VCP CLAIM PROCESSING TIME IN DAYS

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior
FY 02/03	97	81	-4%
FY 01/02	87	84	-

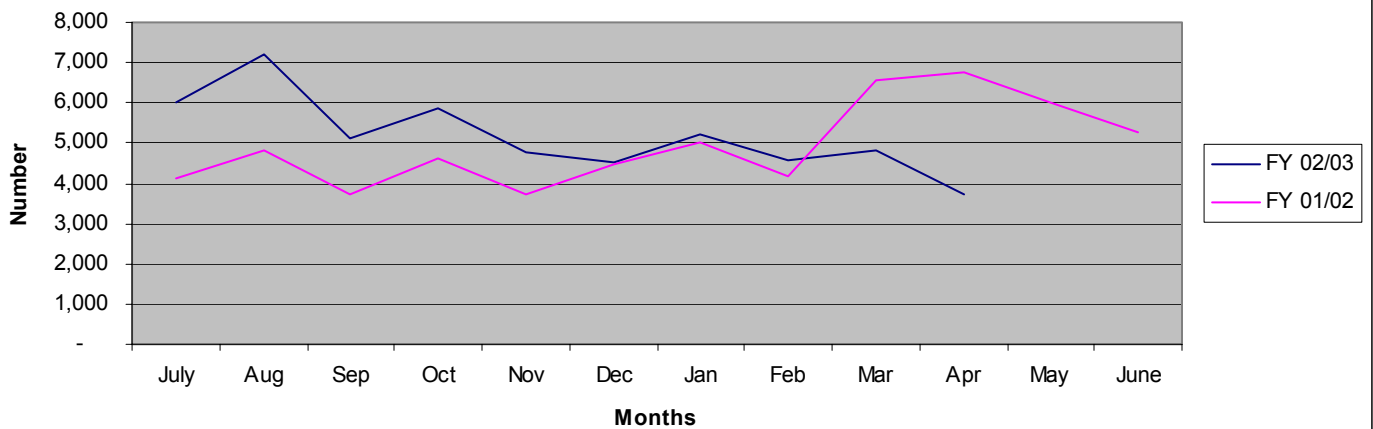
VCP Average Processing Time



VCP CLAIMS ALLOWED

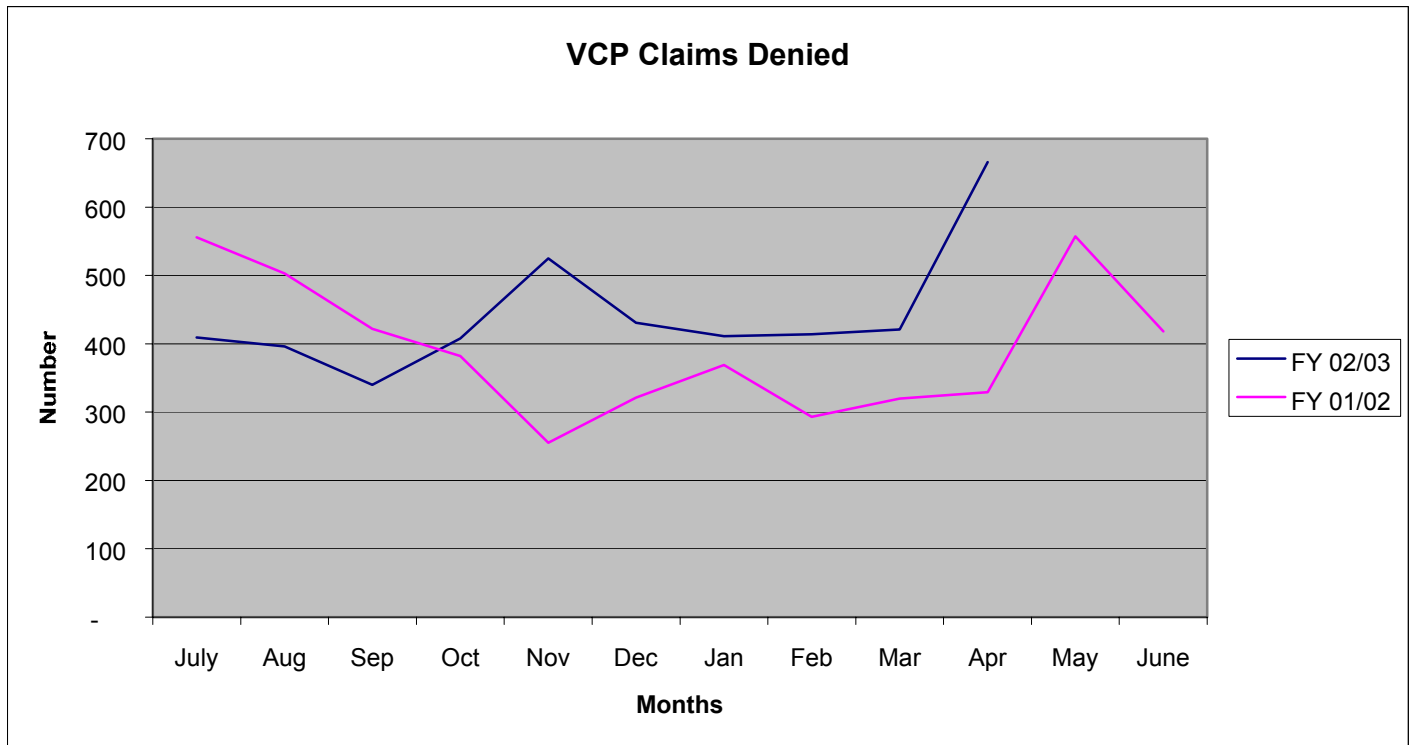
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	3,740	51,794	8%
FY 01/02	6,776	48,056	-

VCP Claims Allowed



VCP CLAIMS DENIED

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	666	4,421	18%
FY 01/02	329	3,750	-

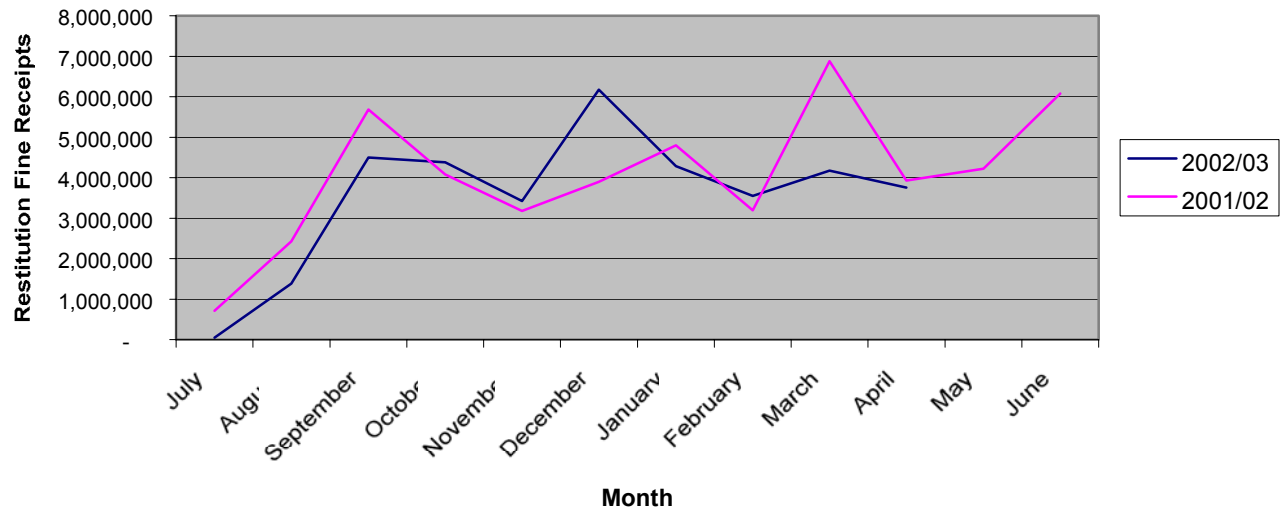


Revenue and Recovery

RESTITUTION FINES

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	3,754,948	35,658,280	-8%
FY 01/02	3,926,135	38,769,154	-

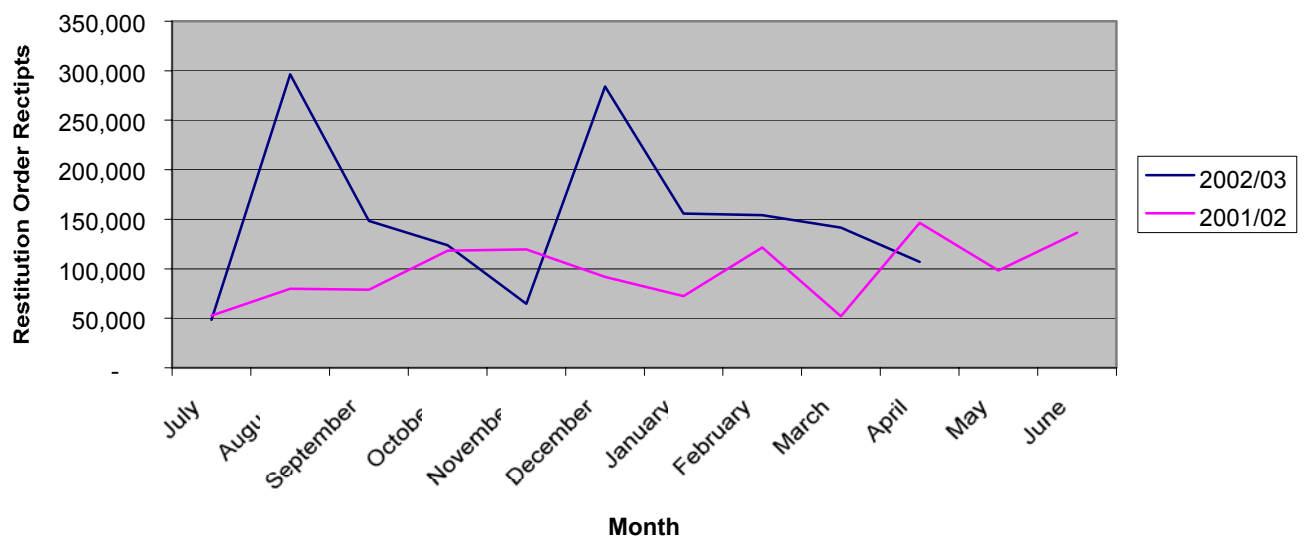
Restitution Fine Receipts By Month



RESTITUTION ORDERS

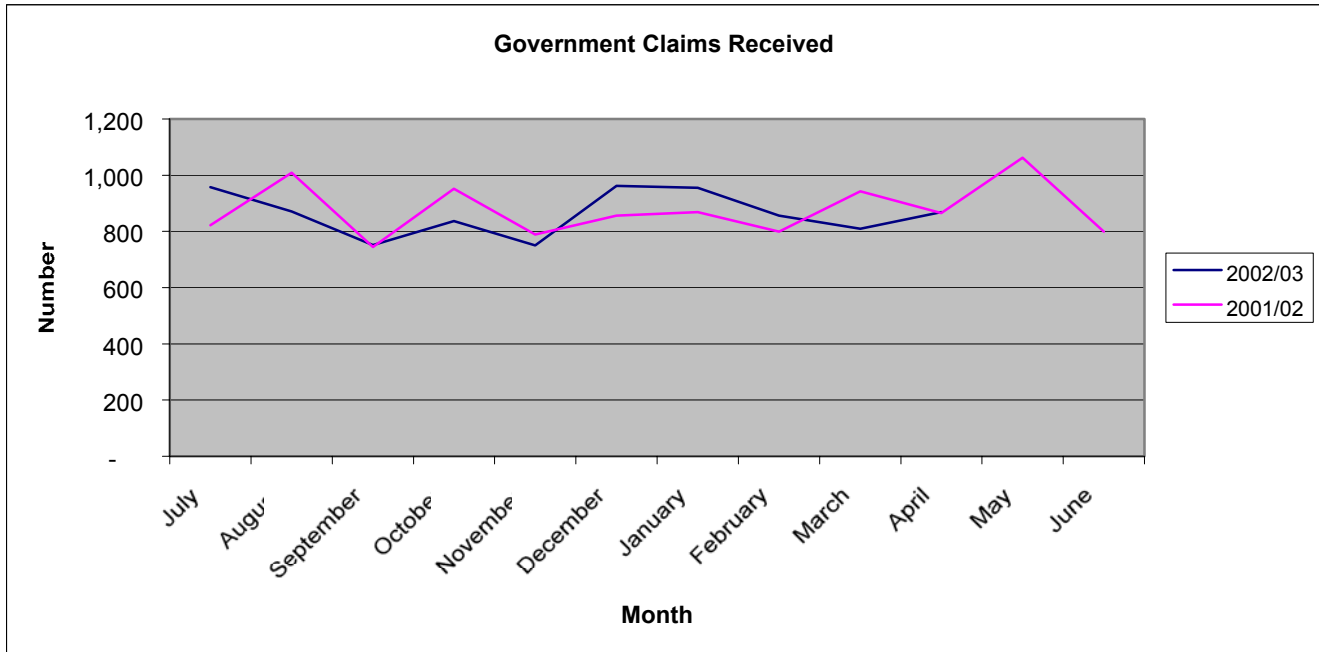
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	107,068	1,524,283	63%
FY 01/02	146,460	933,326	-

Restitution Order Receipts By Month

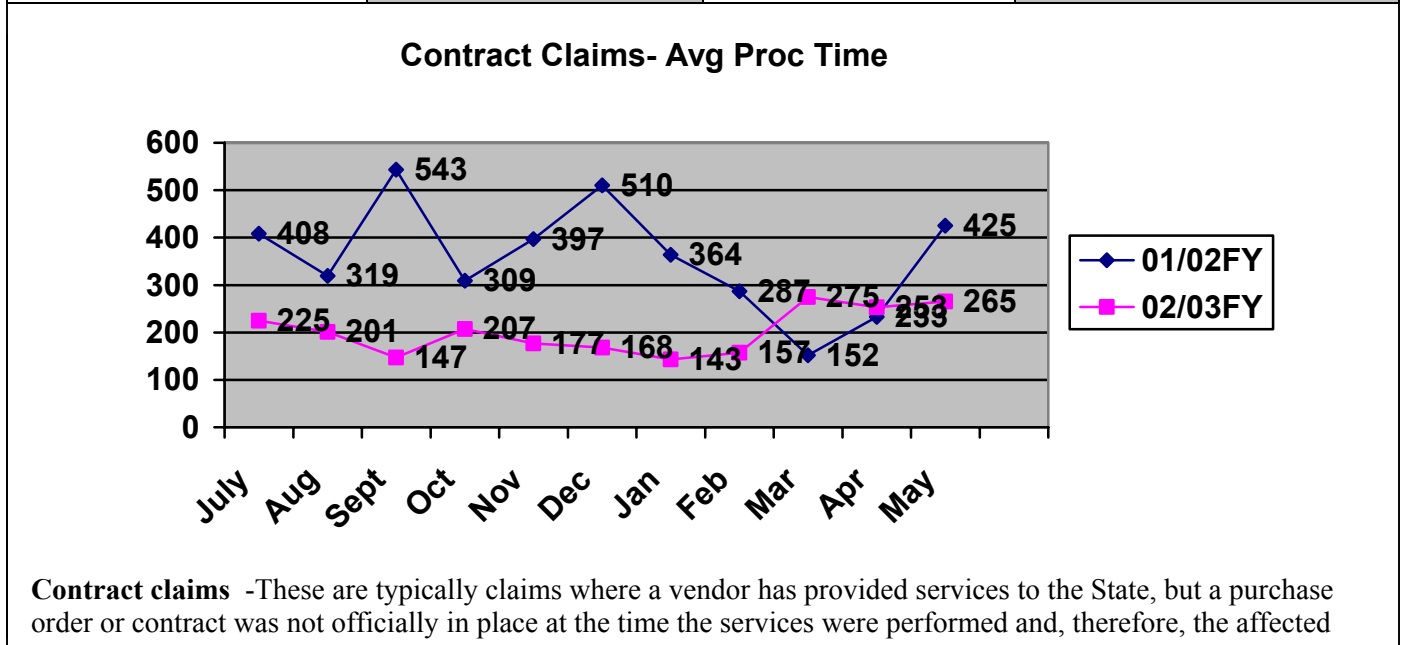


Government Claims

GOVERNMENT CLAIMS RECEIVED			
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	869	8,617	0 %
FY 01/02	865	8,649	-



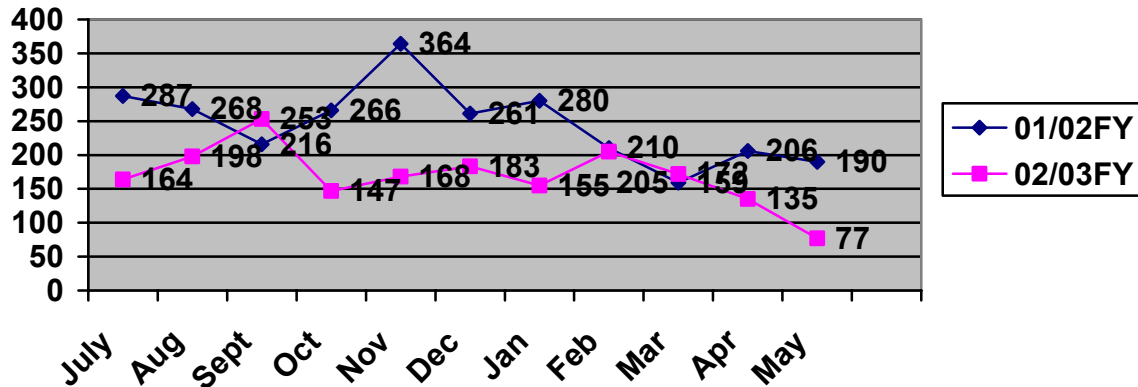
CONTRACT CLAIMS – AVERAGE PROCESSING TIME			
Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	263	193	-41%
FY 01/02		326	



EQUITY CLAIMS – AVERAGE PROCESSING TIME

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	135	168	-25%
FY 01/02		225	

Equity Claims - Avg Proc Time

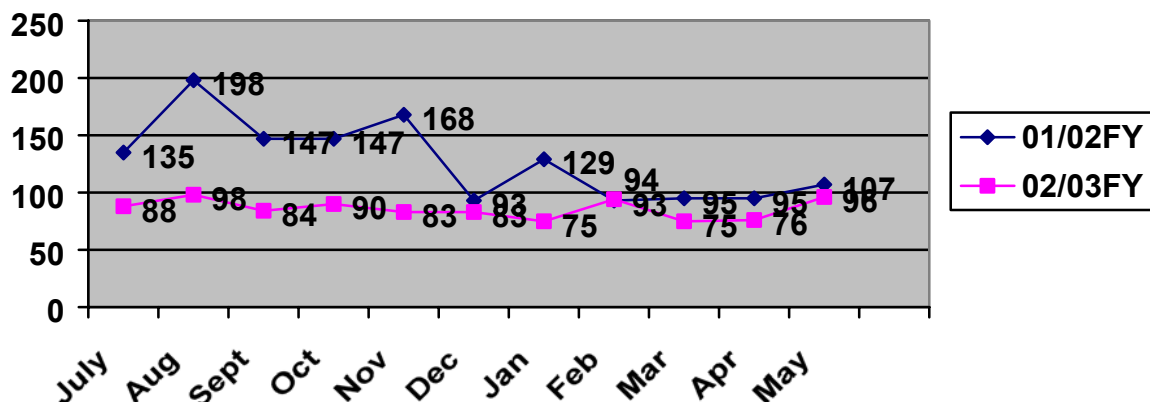


Equity Claims - These are claims where there is no legal liability on the part of the State to pay, but for which the claimant has asked the Board to exercise its equity power to provide payment in fairness for the action or inaction of a State agency. Also included to a large degree are outdated warrants (State-issued checks that went un-cashed for more than 3 years).

TORT CLAIMS – AVERAGE PROCESSING TIME

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 02/03	76	85	-25%
FY01/02	95	114	

Tort Claims - Avg Proc Time



Tort Claims –These are claims for damages filed against specific State agencies. These claims are generally rejected, but are a required administrative action to be taken by a claimant prior to bringing civil action against the State in a court of law. The filing of the Tort claim gives the State advance notice of potential future litigation.